

REMARKS

Claims 1-8, 10, 12-27 and 34 are pending in the application. Claims 9, 11 and 28-33 were previously cancelled. Claims 3-5, 19-21, and 23-25 are withdrawn from consideration. Claims 1, 2, 10, 12, 13, 17, 18, 22, 26-27 and 34 stand allowed. Claims 7, 8, 14-15 and 16 stand rejected by the Examiner. Claim 6 stands objected to. No new matter has been added. Reconsideration of the application as amended is respectfully requested. The Examiner's objections and rejections are addressed below.

Claim Rejections - 35 U.S.C. § 102

Claims 8, 7, 16, 14 and 15 are rejected by the Examiner under 35 U.S.C. 102(b) as being anticipated by Schnatzmeyer et al., (U.S. Patent No. 6,286,596), hereinafter "Schnatzmeyer." Claims 8 and 16 are independent claims.

The Examiner's arguments are reproduced below:

Schnatzmeyer et al. discloses a tool string (30) in a wellbore (26) having a workpiece (1 60; 100; col. 6, lines 1 1-22) or fluid injection tool, a flow sensor (1 40) and a processing section (142) in communication with the flow sensor (col. 5, lines 15-35) for controlling or actuating the workpiece (col. 7, lines 54-59). Schnatzmeyer et al. discloses a transmitter (144) in communication with the surface and a power section (150). Schnatzmeyer et al. discloses a downhole receiver enabling surface control (col6, lines 13-22) and mud pulse telemetry (col. 5, lines 29-33).

The Examiner further states that claim 6 is objected to as being dependent upon a rejected base claim (claim 8), but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Claim 8 has been amended to include the feature of claim 6. Therefore, Applicants submit that claim 8, as amended, is allowable over Schnatzmeyer and the prior art of record.

Claims 6 and 7 depend from claim 8 and are therefore allowable over Schnatzmeyer and the prior art of record for at least the reasons provided with respect to claim 8.

Amended claim 16 includes the features of amended claim 8. Therefore, Applicants submit that claim 16, as amended, is allowable over Schnatzmeyer and the prior art of record.

Claims 14 and 15 depend from claim 16 and are therefore allowable over Schnatzmeyer and the prior art of record for at least the reasons provided with respect to claim 16.

CONCLUSION

For all the foregoing reasons, Applicants submit that the application is in a condition for allowance and such action is requested. No fee is believed due for the filing of this paper. However, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. **13-0010 (284-34922-US)**.

Respectfully submitted,

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